

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Southern California Gas Company (U 904 G) and San Diego Gas & Electric Company (U 902 M) for Authority to Continue Funding of LEV Programs.

Application 02-03-047

Application of Southern California Edison Company (U 338 E) to extend the Operation of its Electric Vehicle Adjustment Clause Mechanism and Related Accounts Until the Date of the Commission's Final Decision in SCE's Test Year 2003 General Rate Case Proceeding.

Application 02-03-048

Application of Pacific Gas and Electric Company for Review of and Authorization for Recovery of Cost Relating to its Low Emission Vehicle (LEV) Program for 2002 through 2005. (U 39 E)

Application 02-03-049

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING THE ENVIRONMENTAL COALITION'S
NOTICE OF INTENT TO CLAIM COMPENSATION**

This ruling responds to a notice of intent (NOI) to claim compensation filed by the Environmental Coalition¹ on June 20, 2002. No party filed a

¹ The Environmental Coalition is comprised of four non-profit organizations: The Natural Resources Defense Council (NRDC), the American Lung Association of California (ALAC), The Planning and Conservation League (PCL), and The Coalition for Clean Air (CCA).

response. This ruling addresses the requirements of the Public Utilities Code, Division 1, Part 1, Chapter 9, Article 5, Section 1804.²

Under Section 1804(a)(1), “[a] customer who intends to seek an award under this article shall, within 30 days after the prehearing conference is held, file and serve on all parties to the proceeding a notice to claim compensation.” The prehearing conference (PHC) was held on May 21, 2002. The Environmental Coalition’s NOI is timely filed.

Section 1804(a)(2) sets forth those items that must be addressed in an NOI. Pursuant to Decision (D.) 98-04-059, this ruling must determine whether the intervenor is a customer, as defined in Section 1802(b) and identify whether the intervenor is a participant representing consumers, a representative authorized by a customer, or a representative of a group or organization that is authorized by its bylaws or articles of incorporation to represent the interests of residential ratepayers. Once the applicable definition of customer is identified, the correct standard of “significant financial hardship” can be applied.

Customer Status

The Environmental Coalition is comprised of four non-profit organizations: The Natural Resources Defense Council (NRDC), the American Lung Association of California (ALAC), The Planning and Conservation League (PCL), and The Coalition for Clean Air (CCA). The ALAC and its 15 local associations work to prevent lung disease and promote lung health; the PCL is a statewide alliance of citizens and conservation organizations united to protect

² All statutory references, unless otherwise noted, are to the California Public Utilities Code.

wildlife and restore the quality of California's environment; and the CCA is dedicated to restoring clean, healthful air to California.

D.98-04-059 requires groups such as the Environmental Coalition to include in their NOI's a copy of the authorization in their articles of incorporation to represent residential customers, or to provide a reference to a previous filing. The Environmental Coalition member organizations are formally organized groups authorized pursuant to their respective bylaws to represent the interests of their members. NRDC's bylaws state in Section 1.02(a) that "Individual membership in the Corporation shall constitute an authorization for the Corporation to represent members' interests in regulatory and judicial proceedings within the scope of the activities of the Corporation." The members of the Environmental Coalition organizations live and purchase electric and gas services within the territories of Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company. This qualifies the Environmental Coalition as a Category 3 customer pursuant to Section 1802(b).

D.98-04-059 also requires an intervenor to provide the percentage of how many of its customers are residential ratepayers. The Environmental Coalition represents that nearly all of their members are residential customers.

Financial Hardship

Section 1804(a)(2)(B) allows the customer to include a showing of significant financial hardship in the NOI. Alternatively, the required showing may be made in the request for award of compensation. For a group or organization, Section 1802(g) defines financial hardship as a state in which "the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding."

The economic interests of ALAC, PCL, and CCA are small relative to the costs of effective participation. Like NRDC, CCA and PCL are membership organizations whose members are customers of the investor owned utilities who have filed the instant applications. The ALAC relies on individual donations. The cost of the Environmental Coalition's participation in this proceeding substantially outweighs the benefit to any individual customer it represents.

Section 1804(b)(1) states in part:

“A finding of significant financial hardship shall create a rebuttable presumption of eligibility for compensation in other Commission proceedings commencing within one year of the date of that finding.”

NRDC received a finding of significant financial hardship in a ruling issued by Administrative Law Judge Thomas in Application 01-08-028, dated November 1, 2001. This proceeding commenced within one year of her finding, so the rebuttable presumption applies in this case. A finding of significant financial hardship in no way, however, ensures compensation for the Environmental Coalition (Section 1804(b)(2)).

Pursuant to D.98-04-059, an intervenor must state in their NOI how it will represent customer interests that would otherwise be underrepresented. The interests of the customers represented by the Environmental Coalition are unique and are not adequately represented by other parties that have intervened in the case. Specifically, the environmental Coalition's members prioritize the need to preserve environmental quality while minimizing the societal costs of providing electric service through energy efficiency, renewable resources, and other cost-effective alternative energy resources.

Planned Participation

Section 1804(a)(2)(A)(I) requires NOIs to include a statement of the nature and extent of the customer's planned participation in the proceeding to the extent this can be predicted. The Environmental Coalition plans to be an active participant in this proceeding including presentation of testimony and witnesses, participation in any hearings, and submission of briefs and comments as required. The Environmental Coalition will strive to coordinate its participation with other parties to avoid duplication.

Estimated Compensation Request

Section 1804(a)(2)(A)(ii) requires that NOIs include an itemized estimate of the compensation the customer expects to receive. At this time, the Environmental Coalition estimates a total projected budget of \$68, 297 for this proceeding. The proposed budget for this matter is as follows:

Grueneich Resource Advocates:

Principal, Dian Grueneich	(21 hours @275/hour)
Senior Attorney, Theresa Cho	(23 hours @ \$230/hour)
Junior Attorney	(19 hours @ \$150/hour)
Senior Policy Analyst, Jody London	(107 hours @ \$150/hour)
Policy Analyst, Michael McCormick	(82 hours @ \$80/hour)
Administrative staff	(10 hours @ \$40/hour)

NRDC Staff

Senior Staff Scientist, Roland Hwang	(133 hours @ \$135/hour)
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PCL Staff

General Counsel, Sandra Spelliscy	(25 hours @ \$250/hour)
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ALAC Staff

Asst. Vice President, Gov. Relations, Bonnie Holmes-Gen	(25 hours @ \$150/hour)
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CCA Staff

Climate Change Program Director,
Kevin Finney

(25 hours @ \$100/hour)

Expenses

Postage, copies, travel, telephone

\$3,379

This ruling does not address the merits of the Environmental Coalition's compensation claim. The reasonableness of the hourly rates requested for the representatives and expert witnesses will be addressed in the Request for Compensation.

IT IS RULED that:

1. The Environmental Coalition's Notice of Intent to claim compensation was timely filed.
2. The Environmental Coalition has met the eligibility requirements of Public Utilities Code Section 1804(a), including the requirement that it established significant financial hardship.
3. The Environmental Coalition is a customer as that term is defined in Section 1804(b) and is a group or organization that is authorized by its bylaws or articles of incorporation to represent the interests of residential ratepayers.
4. The Environmental Coalition fulfilled the requirements of Section 1804(a)(2)(A) by providing a statement of the nature and extent of its planned participation and an itemized estimate of the compensation it expects to request.
5. The Environmental Coalition is found eligible for compensation in this proceeding.
6. A finding of eligibility in no way assures compensation.

7. Parties requesting compensation shall make every effort to reduce duplication of contribution.

Dated July 30, 2002, at San Francisco, California.

/s/ CAROL BROWN
Carol Brown, Interim Chief
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding the Environmental Coalition's Notice of Intent to Claim Compensation on all parties of record in this proceeding or their attorneys of record.

Dated July 30, 2002, at San Francisco, California.

/s/ ERLINDA PULMANO

Erlinda Pulmano

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.

